

AMENDED IN ASSEMBLY APRIL 6, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2444**

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**Introduced by Assembly Member Klehs**  
**(Coauthors: Assembly Members Lieber and Nation)**

February 23, 2006

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An act to add Chapter 2.66 (commencing with Section 65089.20) and Chapter 2.67 (commencing with Section 65089.30) to Division 1 of Title 7 of the Government Code, and to add Sections 9250.3 and 9250.4 to the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2444, as amended, Klehs. Congestion management and motor vehicle environmental mitigation fees.

Existing law provides for the imposition by air districts and other local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles.

This bill would authorize the congestion management agencies in the 9 Bay Area counties, by a  $\frac{2}{3}$  vote of all of the members of the governing board, to impose an annual fee of up to \$5 on motor vehicles registered within those counties for a program for the management of traffic congestion. The bill would require a program with performance measures and a budget to be adopted before the fee may be imposed. The bill would require the agency to have an independent audit performed on the program and to submit a report to the Legislature on the program by July 1, 2011. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and distribute the net revenues, after deduction of specified costs, to the

agency. The bill would require that the fees collected may only be used to pay for programs bearing a relationship or benefit to the owners of motor vehicles paying the fee, and would require the agency to make a specified finding of fact in that regard by a  $\frac{2}{3}$  vote.

This bill would also authorize the ~~Metropolitan Transportation Commission~~ *Bay Area Air Quality Management District*, which is the ~~regional transportation planning agency~~ *air pollution control district* for the 9-county Bay Area, to impose an annual fee of up to \$5 on motor vehicles registered with its jurisdiction for programs that mitigate the impacts of motor vehicles on the environment, including, but not limited to, stormwater runoff mitigation projects, water quality improvement projects, and air quality improvement projects. The bill would require a program with performance measures and a budget to be adopted by the Bay Area Air Quality Management District and the California Regional Water Quality Control Board for the San Francisco Bay Region before the fee may be imposed, and would require the fee to be adopted by a  $\frac{2}{3}$  vote of ~~all of the commissioners~~ *the governing board of the district*. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and to distribute the net revenues, after deduction of specified costs, to the Bay Area Air Quality Management District and to the California Regional Water Quality Control Board for the San Francisco Bay Region based on a specified formula. The bill would require the recipient agencies to have an independent audit performed on the program and to submit a report to the Legislature on the program by July 1, 2011. The bill would require that the fees collected may only be used to pay for programs bearing a relationship or benefit to the owners of motor vehicles paying the fee, and would require the ~~commission board~~ *to* make a specified finding of fact in that regard by a  $\frac{2}{3}$  vote.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Chapter 2.66 (commencing with Section
- 2 65089.20) is added to Division 1 of Title 7 of the Government
- 3 Code, to read:

1 CHAPTER 2.66. MANAGEMENT OF TRAFFIC CONGESTION IN  
2 THE BAY AREA  
3

4 65089.20. (a) As used in this chapter, “county transportation  
5 agency” means an agency designated pursuant to Section 66531  
6 to develop the county transportation plan.

7 (b) A county transportation agency may impose a fee of up to  
8 five dollars (\$5) on motor vehicles registered within the county if  
9 the board of the county transportation agency adopts a resolution  
10 providing for both the fee and a corresponding program for the  
11 management of traffic congestion as set forth in Sections  
12 65089.21 to 65089.24, inclusive. Adoption by the board requires  
13 a vote of approval by two-thirds of all the members of the board.

14 (c) A fee imposed pursuant to this section shall not become  
15 operative until six months after the effective date of this section  
16 and pursuant to the resolution adopted by the board in  
17 subdivision (b).

18 (d) A county transportation agency may adopt a resolution by  
19 a majority vote of the board to cease collection of the fee  
20 commencing on a date determined by the county transportation  
21 agency in consultation with the Department of Motor Vehicles.

22 65089.21. (a) The net revenues from the fee distributed to the  
23 county transportation agency pursuant to Section 9250.3 of the  
24 Vehicle Code shall be used for purposes of congestion  
25 management consistent with the objectives of Section 65089.

26 (b) (1) The revenues may be used to pay for programs with a  
27 relationship or benefit to the owners of motor vehicles that are  
28 paying the fee. ~~However, the revenues may not be used for the~~  
29 ~~purposes of new road construction.~~ *Eligible projects include, but*  
30 *are not limited to, roadway operations and improvements (not*  
31 *including the construction of through freeway lanes), public*  
32 *transit capital improvements and operations, and bicycle and*  
33 *pedestrian safety projects and programs.*

34 (2) Prior to imposing the fee, the board of the county  
35 transportation agency shall make a finding of fact by two-thirds  
36 of all the members of the board of that county transportation  
37 agency that those programs bear a relationship or benefit to the  
38 motor vehicles that will pay the fee.

39 (c) The purpose of the congestion management program is to  
40 address motor vehicle congestion.

1 (d) Not more than 5 percent of the fees distributed to the  
2 county transportation agency shall be used by the agency for its  
3 administrative costs associated with the program.

4 65089.22. Prior to the imposition of the fee by the county  
5 transportation agency, a specific program with performance  
6 measures and a budget shall first be developed and adopted by  
7 the county transportation agency at a noticed public hearing.

8 65089.23. The county transportation agency shall have an  
9 independent audit performed on the specific program adopted  
10 pursuant to Section 65089.22 with the review and report  
11 provided to the board at a noticed public hearing.

12 65089.24. The county transportation agency shall provide a  
13 report to the Legislature on the specific program adopted  
14 pursuant to Section 65089.22 by July 1, 2011.

15 SEC. 2. Chapter 2.67 (commencing with Section 65089.30) is  
16 added to Division 1 of Title 7 of the Government Code, to read:

17  
18 CHAPTER 2.67. ENVIRONMENTAL MITIGATION OF MOTOR  
19 VEHICLES IN THE BAY AREA  
20

21 65089.30. (a) As used in this chapter, ~~“commission” means~~  
22 ~~the Metropolitan Transportation Commission.~~ *“board” means*  
23 *the governing body of the Bay Area Air Quality Management*  
24 *District.*

25 (b) ~~The commission board~~ may impose a fee of up to five  
26 dollars (\$5) on motor vehicles registered within the counties in  
27 its jurisdiction if ~~the commissioners~~ *members of the board* adopt  
28 a resolution providing for both the fee and a corresponding  
29 program for the mitigation of the impacts of motor vehicles on  
30 the environment submitted to the ~~commission board~~ as set forth  
31 in Sections 65089.31 to 65089.34, inclusive. Adoption by the  
32 ~~commission board~~ requires a vote of approval of two-thirds of all  
33 ~~the commissioners~~ *members of the board.*

34 (c) A fee imposed pursuant to this section shall not become  
35 operative until six months after the effective date of this section  
36 and pursuant to the resolution adopted by the ~~commission board~~  
37 in subdivision (b).

38 (d) ~~The commission board~~ may adopt a resolution by majority  
39 vote to cease collection of the fee commencing on a date

1 determined by the ~~commission~~ *board* in consultation with the  
2 Department of Motor Vehicles.

3 65089.31. (a) The net revenues available pursuant to Section  
4 9250.4 of the Vehicle Code shall be distributed as follows:

5 (1) Fifty percent to the Bay Area Air Quality Management  
6 District. Of these revenues, ~~50~~ 75 percent shall be expended on  
7 projects in the county of origin, as determined by the district, and  
8 ~~50~~ 25 percent shall be expended on regional projects.

9 (2) Fifty percent to the California Regional Water Quality  
10 Control Board for the San Francisco Bay Region. Of these  
11 revenues, ~~50~~ 75 percent shall be expended on projects in the  
12 county of origin, as determined by the board, and ~~50~~ 25 percent  
13 shall be expended on regional projects.

14 (b) (1) The revenues may be used to pay for programs that  
15 mitigate the impacts of motor vehicles on the environment,  
16 including, but not limited to, stormwater runoff mitigation  
17 projects, water quality improvement projects, and air quality  
18 improvement projects, *including those that address emissions*  
19 *that contribute to climate change*. The programs shall have a  
20 relationship or benefit to the owners of motor vehicles that are  
21 paying the fee.

22 (2) Prior to the imposition of the fee, the ~~commission~~ *board*  
23 shall make a finding of fact by a two-thirds vote of all of the  
24 ~~commissioners~~ *members of the board* that those programs bear a  
25 relationship or benefit to the motor vehicles that will pay the fee.

26 65089.32. Prior to the imposition of the fee by the  
27 ~~commission~~ *board*, a specific program with performance  
28 measures and a budget shall first be developed and adopted by  
29 the Bay Area Air Quality Management District and the California  
30 Regional Water Quality Control Board for the San Francisco Bay  
31 Region for the anticipated revenues each agency is expected to  
32 receive pursuant to Section 65089.31. The adoption shall occur at  
33 a noticed public hearing of each agency. Each agency shall  
34 submit the program and budget to the ~~commission~~ *board*.

35 65089.33. The Bay Area Air Quality Management District  
36 and the California Regional Water Quality Control Board for the  
37 San Francisco Bay Region shall have an independent audit  
38 performed on the specific program adopted pursuant to Section  
39 65089.32 with the review and report provided to each agency at a  
40 noticed public hearing.

1     65089.34. The Bay Area Air Quality Management District  
2 and the California Regional Water Quality Control Board for the  
3 San Francisco Bay Region shall provide a report to the  
4 Legislature on the specific program adopted pursuant to Section  
5 65089.32 by July 1, 2011.

6     SEC. 3. Section 9250.3 is added to the Vehicle Code, to read:

7     9250.3. (a) The department shall, if requested by a county  
8 transportation agency, collect the fee imposed pursuant to  
9 Section 65089.20 of the Government Code upon the registration  
10 or renewal of registration of any motor vehicle registered in the  
11 county, except those vehicles that are expressly exempted under  
12 this code from the payment of registration fees.

13     (b) A county transportation agency shall pay for the initial  
14 setup and programming costs identified by the Department of  
15 Motor Vehicles through a direct contract with the department.  
16 Any direct contract payment by the county transportation agency  
17 shall be repaid, with no restriction on the funds, to the county  
18 transportation agency as part of the initial revenues distributed.  
19 Regular Department of Motor Vehicles collection costs shall be  
20 in accordance with subdivision (c). These costs shall not be  
21 counted against the 5-percent administration cost limit specified  
22 in subdivision (d) of Section 65089.21.

23     (c) After deducting all costs incurred pursuant to this section,  
24 the department shall distribute the net revenues to the county  
25 transportation agency.

26     (d) As used in this section, "county transportation agency" has  
27 the same meaning as in subdivision (a) of Section 65089.20 of  
28 the Government Code.

29     SEC. 4. Section 9250.4 is added to the Vehicle Code, to read:

30     9250.4. (a) The department shall, if requested by the  
31 ~~Metropolitan Transportation Commission~~ *governing board of the*  
32 *Bay Area Air Quality Management District*, collect the fee  
33 imposed pursuant to Section 65089.30 of the Government Code  
34 upon the registration or renewal of registration of any motor  
35 vehicle registered in a county within the jurisdiction of the  
36 ~~commission board~~, except those vehicles that are expressly  
37 exempted under this code from the payment of registration fees.

38     (b) The ~~commission board~~ shall pay for the initial setup and  
39 programming costs identified by the Department of Motor  
40 Vehicles through a direct contract with the department. Any

1 direct contract payment by the ~~commission~~ *board* shall be repaid,  
2 with no restriction on the funds, to the ~~commission~~ *board* as part  
3 of the initial revenues available for distribution. Regular  
4 Department of Motor Vehicles collection costs shall be in  
5 accordance with subdivision (c).

6 (c) After deducting all costs incurred pursuant to this section,  
7 the department shall distribute the net revenues pursuant to  
8 subdivision (a) of Section 65089.31 of the Government Code.

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11 **CORRECTIONS:**

12 **Digest - Page 2.**

13 **Text - Pages 4 and 5.**  
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